



Day Care Homes

Renewal Training



AA Child Care Standards

- Should be in place
 - Should have been signed by February 2009.
 - Must be updated *ANNUALLY*.
 - Remember that no “grace period” should be given to new providers. CN 007-09.



AA Standards Key Points

- **Must have Fire/Health Inspection.**
 - This legal document must contain the legible name of the person conducting the inspection, as well as an original signature and date.
 - Forms with a rubber signature stamp, computer cursive font, or undated forms will be returned.



AA Standards Key Points (Cont)

- **Must have Fingerprint clearance card.**
- **Must be CPR and First Aid Certified.**
- **Must have working thermometer in both refrigerator and freezer.**



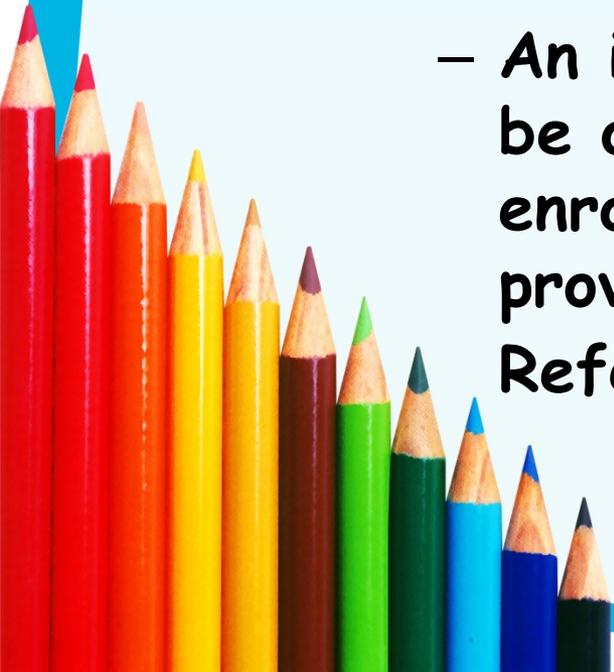
AA Standards Key Points (Cont)

- **Must have valid license, insurance and registration for vehicle transport.**
- **Must be certified in water rescue for homes with a below ground pool.**



Infant Feeding Requirements

- **Providers must purchase and offer all required infant components.**
 - Those components include Iron fortified Infant Formula and Cereal.
 - An infant feeding preference form must be on file and filled out correctly for all enrolled infants. A parent may choose to provide the infant feeding components. Reference Guidance Manual Section 805.



Infant Feeding Requirements cont.

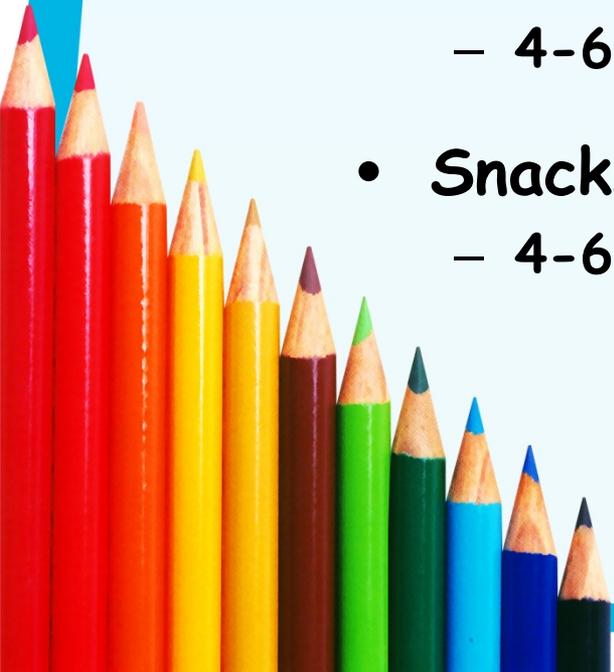
- If a parent is providing formula, breast milk or cereal for their infant, the provider must supply at least one creditable component for infants 8 thru 11 months old.
- Once a child is over a year old the provider must supply all of the meal components.



Infant Meal Pattern

Birth Thru 3 Months

- **Breakfast**
 - 4-6 oz iron fortified formula or breast milk
- **Lunch/Supper**
 - 4-6 oz iron fortified formula or breast milk
- **Snacks**
 - 4-6 oz iron fortified formula or breast milk



Infant Meal Pattern cont.

4 thru 7 months

- **Breakfast**

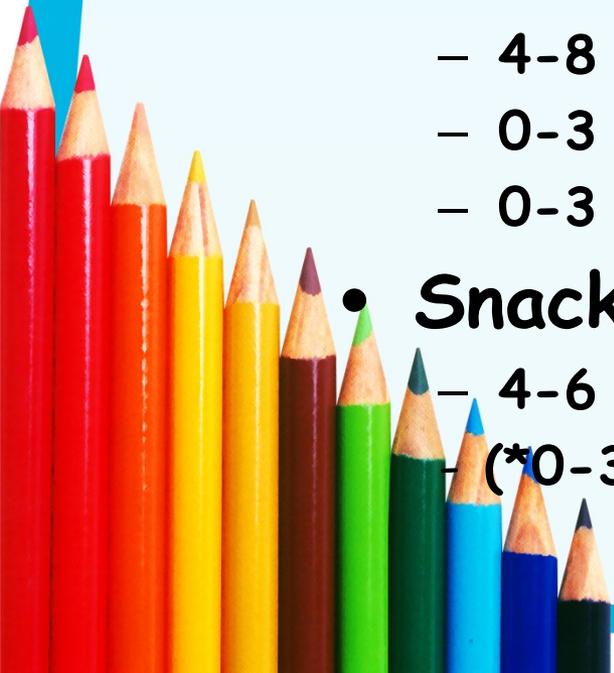
- 4-8 oz iron fortified infant formula or breast milk
- 0-3 Tlbs iron fortified infant cereal*

- **Lunch/Supper**

- 4-8 oz iron fortified infant formula or breast milk
- 0-3 Tlbs iron fortified infant cereal*
- 0-3 Tlbs fruit and/or vegetable*

- **Snacks**

- 4-6 oz iron fortified infant formula or breast milk
- (*0-3 This is optional, not required components)



Infant Meal Pattern cont.

8 thru 11 months

- **Breakfast**

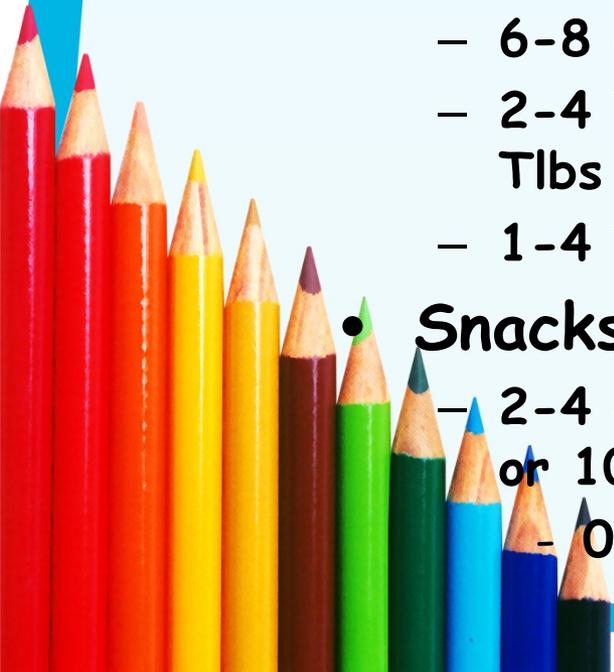
- 6-8 oz iron fortified infant formula or breast milk
- 2-4 Tlbs iron fortified infant cereal
- 1-4 Tlbs fruit and/or vegetable

- **Lunch/Supper**

- 6-8 oz iron fortified infant formula or breast milk
- 2-4 Tlbs iron fortified infant cereal and/or 1-4 Tlbs meat/meat alternate
- 1-4 Tlbs fruit and/or vegetable

- **Snacks**

- 2-4 oz iron fortified infant formula or breast milk or 100% full strength juice
- 0-1/2 whole grain bread or 0-2 whole grain or enriched crackers.



Infant Feeding Record

- Make sure all **REQUIRED** components are filled out properly.
 - Example:

NAMES 8-11 months	<u>Breakfast</u>			<u>AM</u>		<u>Lunch</u> *IFC and/or Meat/Alt				<u>PM</u>		<u>Supper</u> *IFC and/or Meat/Alt			
	Formula or Breast Milk 6-8 oz (/)	IFC 2-4 T (/)	Veg/Fr 1-4 T Specify	Formula, Breast Milk, fruit juice 2-4 oz (/)	0-1/2 slice bread or 0-2 crackers (/)	Formula or Breast Milk 6-8 oz (/)	Veg/Fr 1-4 T Specify	IFC 2-4 T (/)	Meat/Alt 1-4 T ½ - 2 oz. Specify	Formula Breast Milk, fruit juice 2-4 oz (/)	0-1/2 slice bread or 0-2 crackers (/)	Formula or Breast Milk 6-8 oz (/)	Veg/Fr 1-4 T Specify	IFC 2-4 T (/)	Meat/Alt 1-4 T ½ - 2 oz Specify
David T.				√	√	√	Carrots	√		√	√				
Mark C.	√	√	Pchs	√		√	Banana		Chicken						

Menus

- **Limit Crackers and Juice**
 - ADE best practice- Serve crackers no more than one time per week.
 - Includes all cracker varieties
 - Other snack ideas:
Pita bread, tortillas, English muffin, bagel, bread stick
 - ADE best practice- Serve juice no more than twice per week.



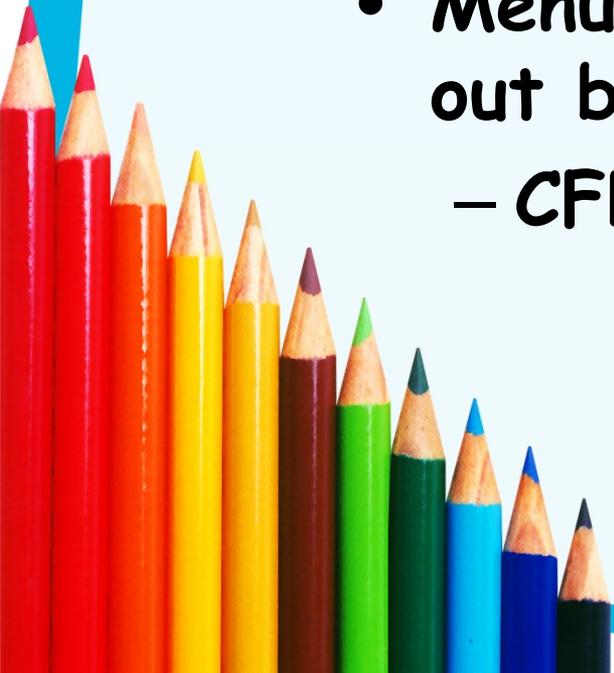
Menus cont.

- **Menus must be specific.**
 - Specify cereals, fruits, vegetable, meats
 - Allows Sponsor and ADE to evaluate variety as well as high sugar or high fat foods.
 - Specify when whole grain or fresh fruits/vegetables are being used.
- **All meal components must be served together.**



Menus cont.

- Meals must be served during the customary meal service time.
- Menus and meal counts must be filled out by the end of each day.
 - CFR226.18e



Meal Times

- Durations-meals may not exceed the maximum duration of claimable meal service.
 - Includes shifts as well.

Meal	Maximum duration of claimable food service
Breakfast	1 $\frac{1}{2}$ hours
AM Snack	1 hour
Lunch	2 hours
PM Snack	1 hour
Dinner	2 hours
Night Snack	1 hour

Customary Meal Times

Breakfasts offered after 9:00 a.m. can not be claimed, lunch can not be claimed before 11:00 a.m. and dinner can not be claimed prior to 5:00 p.m.

Meal	Customary Meal Times
Breakfast	6 am - 9 am
AM Snack	Between Breakfast and Lunch
Lunch	11 am - 1 pm
PM Snack	Between Lunch and Dinner
Dinner	5 pm - 7 pm
Night Snack	After 7 pm

Split Shifts

- When a provider offers split shifts there must be a reason (children being picked up while others arriving) and this should be reflected on the sign in/out sheets.



Split Shifts (Cont)

- Offering shifts does not allow a provider an exception to customary meal times. Shifts still must fall in the customary meal times.
- For example, Lunch shift 1= 12:30-1:30 shift 2= 2:00-3:00
- Shift 2 is outside of the customary meal time and lunch meals served during this time should not be allowed.

Split Shifts cont.

- Shifts can not extend the allowed times for meal service.
- For example: Provider 1 can not indicate breakfast is served from 6:00-7:30 (shift 1) and 7:30 to 9:00 (shift 2).
- Total meal service must remain at $1\frac{1}{2}$ hours.

Provider Applications

- Provider applications should reflect actual days and times of care.
 - For example, if a provider is approved for Monday-Friday, but submits menus/meal counts for Saturday, those meals should be disallowed.



Sign In/Out Sheets

- Sign in/out sheets must be per child and not per family.
- Sign in/out records must be kept up daily CFR 226.18e.



Food Safety

- All food stored in a refrigerator, freezer or dry storage, must be labeled and dated if it is outside of its original container/packaging.
- All stored food must be properly sealed.
- There must be a thermometer in the refrigerator and in the freezer.



Provider Must Notify Sponsoring Organization when they will not be home.

Per 7 CFR 226.18 (b): Sponsoring organizations shall enter into a written permanent agreement with each sponsored day care home which specifies the rights and responsibilities of both parties. This agreement shall be developed by the State agency, unless the State agency elects, at the request of the sponsor, to approve an agreement developed by the sponsor. At a minimum, the agreement shall embody:

- The responsibility of the day care home to notify their sponsoring organization in advance whenever they are planning to be out of their home during the meal service period. The agreement must also state that, if this procedure is not followed and an unannounced review is conducted when the children are not present in the day care home, claims for meals that would have been served during the unannounced review will be disallowed.

Notification (cont)

- Sponsoring Organization should have a policy/procedure to include how long in advance the Provider must notify the Sponsoring Organization.
- Failure to notify Sponsor will result in:
 - 1st Offense = Corrective Action
 - 2nd Offense = Seriously Deficient
 - 3rd Offense = Termination from CACFP

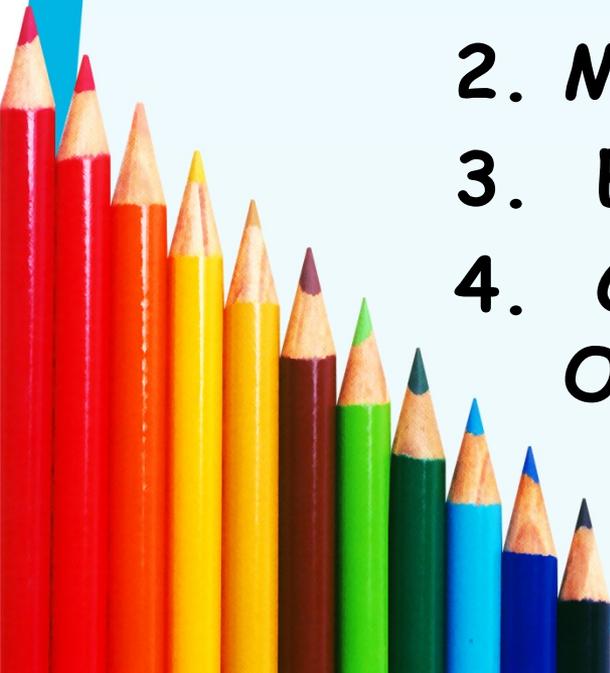
Provider Record Maintenance

- Record Maintenance Requirements for FDCH Providers in the CACFP.
 - CACFP CN# 004-09
 - USDA #CACFP 03-2009



Provider Record Maintenance (cont)

- **Must have copies of current FY 2010 records at the home.**
 1. **Sign in/out records**
 2. **Menus/meal counts**
 3. **Enrollment forms**
 4. **Copy of the Sponsor Organization/Provider Agreement**



Provider Record Maintenance (cont)

- Records that are kept at the provider's home also afford ADE an audit trail and the ability to confirm the accuracy of the records at both locations.
- Records for previous years can be archived, but must be made available upon request.



Provider Record Maintenance (cont)

- Failure to maintain such records shall be grounds for the denial of reimbursement.
- Provider records, as well as the application need to be legible, and accurate for days of service, hours of operation, and meal times.



Meal Disallowance Policies for FDCH in CACFP...

- Absolutely no "GRACE PERIODS"
- CACFP #007-09
- USDA #CACFP 05-2009
- Must comply with meal pattern or other recordkeeping.
- If necessary, contact Specialist for assistance.



Meal Disallowance Policies for FDCH in CACFP...

- CACFP regulations do not provide for claiming grace periods to homes (new/active) that fail to serve reimbursable meals.
- USDA / ADE emphasize training, early monitoring, and technical assistance to ensure reimbursable meals are served.



Compensation Rules (State Law)

- **CACFP CN#006-09**
- **No more than four at any given time can be claimed for compensation, except when remaining two are the providers own.**



Compensation Rules (State Law)

- If more than four meals are claimed, then the provider is over ratio.
- Must be a Small Group Home to claim more than four when remaining two are not providers own.
- Please remember that DHS has a rule that assigns CACFP Reimbursement as compensation.



Provider's Own

- The child actually lives in the residence,
- The provider has actual custody of the child,
- The child is part of the provider's household or economic unit,



Provider's Own (Cont)

- The period of custodial care for an indefinite period of time,
- The provider's household or economic unit is income eligible, and
- There are non-residential enrolled children present and participating.



Temporary Residential Care

- In circumstances beyond the parent's control, children may need to be housed temporarily at a family day care provider's residence on a 24 hour basis.
 - Includes situations in which something unexpected happens (i.e. car accident) and a parent is unable to pick up their child.
 - Vacations are not an "unexpected" event.



Temporary Residential Care (Cont)

- Can only be claimed for meals served within approved meals or day of care.
- Can remain in provider's home on a 24 hour basis for up to three consecutive days.
 - If it exceeds three days, the provider is providing residential care and may not claim for CACFP.



Temporary Residential Care (Cont)

- Temporary Residential Care Children are not considered “provider’s own.”
- Family members staying with provider for a period of time on vacation, can be claimed, if properly enrolled; not considered provider’s own.



Provider Recruitment

- **Reminder: Sponsor may not recruit providers currently participating with other SO.**
 - If Sponsor contacts a provider and finds out they are already participating under another SO, the expectation is to discontinue the recruitment.
- **Proper transfer procedure should be followed.**



Sponsor/Provider Agreement

- All providers need to have a new Sponsor/Provider Permanent Agreement completed.
 - Need to have the Agreement that was approved by ADE on file.
 - Addendum to old agreement would be acceptable, but must include all changes made to previous agreements.



Process For Adding New Providers

- **Reference:**
Memo regarding State Agency approval of facilities/homes CN Memo # 010-09 dated May 20, 2009.



Process For Adding New Providers (Cont)

- ADE is required to approve all licensed and alternately approved facilities prior to CACFP participation per 7 CFR 226.6(d).



Process For Adding New Providers (Cont)

- SO needs to submit all required information, depending on provider's licensing status, to their ADE Specialist for review.
- Fingerprint clearance card application in lieu of the actual fingerprint clearance card can be submitted.



Process For Adding New Providers (Cont)

- Once the information is complete, Specialist will forward application packet to ADE CACFP Supervisor for approval.
- The provider may start CACFP participation beginning the date of ADE approval.



Process For Adding New Providers (Cont)

- If a participating provider moves from the approved home to another residence and wishes to continue participating, all required information must be sent to ADE.
- Per CN#007-09, the Regulations do not allow for grace periods.



Unannounced Home Visits

- When ADE schedules a review with the day care home Sponsoring Organization, the home monitoring visits must be unannounced.
 - Sponsors and/or monitors cannot notify providers when the State may be coming
 - Defeats the purpose of an unannounced review

Civil Rights

- Annual training must include Civil Rights as a topic.



Civil Rights (Cont)

- SO to inform provider of the process of filing a complaint.
- Provider should be able to explain the process of filing a complaint to ADE Specialist at a review.
- Non-discrimination statement must be included on any advertisements.





Budget

Resources and Cost Verification



Resources

- FNS Instruction 796-2 (rev. 3)
 - Provides financial management information and guidance to State agencies, Regional Offices and institutions participating in the CACFP.
 - <http://www.ade.az.gov/health-safety/cnp/cacfp/family>
- OMB Circulars (A-87, A-122)
 - <http://www.whitehouse.gov/omb/circulars/index.html>

Resources (Cont)

- 7 CFR 226, 3015, 3016, 3017, 3018, 3019, and 3052
 - <http://www.gpoaccess.gov/cfr/index.html>

Also see the ADE budget line item instructions included with renewal application.



FNS Instruction 796-2, Revision 3

FNS Instruction 796-2, Revision 3 establishes standards, principles and guidelines for financial management to:

- Assure the costs charged [...] are allowable, necessary and reasonable for effective and efficient program operations.
- Assist State administering agencies and institutions in developing and maintaining financial management systems that comply with CACFP requirements.

Source: www.fns.usda.gov

Cost Verification through Code of Federal Regulations

- CFR part 226 justifies State Agency budget approval and allows SA's to verify and approve sponsor budget costs and application of the FNS 796. (7 CFR 226.6(b)(2)(vii)(A))

(A) Performance Standard 1—Financial viability and financial management. The renewing institution must be financially viable. **Program funds must be expended and accounted for** in accordance with the requirements of this part, **[and] FNS Instruction 796-2 [..]**.

Cost Verification through Code of Federal Regulations (Cont)

CFR reference below shows what SA's are looking for in budgets:

"To demonstrate financial viability, the renewing institution must document that it meets the following criteria: [...] (3) **Budgets**. Costs in the renewing institution's budget must be *necessary, reasonable, allowable, and appropriately documented*,"

(italics added for emphasis)

(§ 226.6(b)(2)(vii)(A)(3)).



Cost Verification through Code of Federal Regulations (Cont)

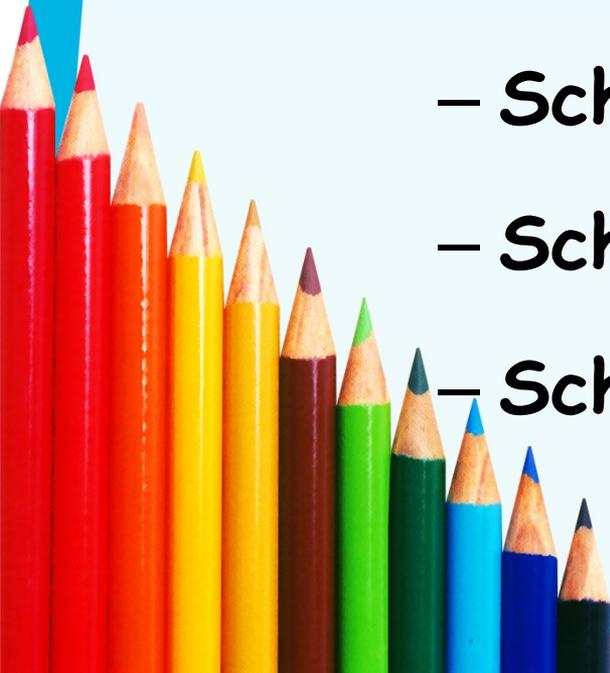
In short:

- **Budget costs must comply with federal instruction and law.**
- **Please use these documents we talked about when completing the budget.**



2010 Budget Spreadsheet

- Schedule A - Labor and Benefits
- Schedule B - Supplies
- Schedule C - Office Expense
- Schedule D - Travel
- Schedule E - Training
- Schedule F - Administrative Services



Labor

- Cost of Living Increase is 5.8%
(Source: www.socialsecurity.gov)
- Compensation must be reasonable for the services provided by the individual and conform to the institution's written compensation policy.
- Not allowable - The cost of goods and services for personal use of the organization's officers, employees, and directors.



Maximum Number of Homes on Budget Spreadsheet

- Account for growth, if applicable.
- Average number of homes for highest three months + 10%
 - Example for 100 homes:
 - $100 + 10\% = 110$ homes
 - Budget spreadsheet calculates dollar value based on 110 homes.



Administrative Costs

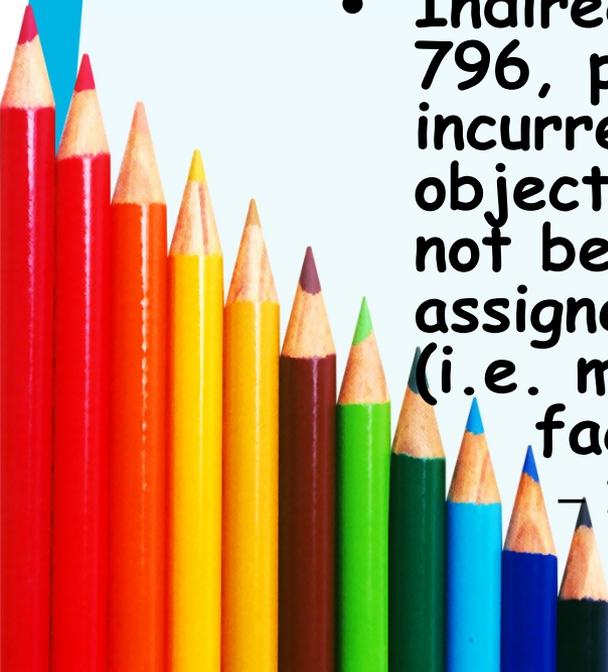
- **Actual Costs**
 - Supported by documentation
- **Allowable Costs Covered by**
 - FNS 796-2 (rev 3)
- **Approvable**
 - Supported by the Budget
- **When the cost of an item or salary benefits both *allowable and unallowable* activities (i.e. a shared cost), determine amount used for CACFP only.**
 - Prorate Shared Costs



Typical Allowable Costs*

- Accounting
- Advertising
- Audit Services
- Bonding Costs
- Telephone or other communication costs
- Indirect Costs (FNS 796, page 12) -costs incurred for common objectives, but can not be readily assigned to CACFP (i.e. maintaining facility)
 - Include the indirect cost rate for State Agency review
- Conference/Training
 - CACFP Related
- Salaries and Benefits
- Purchase of Equip.
- Legal Expenses
- Employee Travel
- Printing & Copying
- Insurance
- Training of Staff and Providers
- Standard Bank Fees

*Resource: State of Wisconsin



Typical Unallowable Costs*

- Bad (uncollectable) Debts
- Contributions and Donations
- Fines and Penalties
- Political Activities (including lobbying)
- Nonprogram legal expenses
- Purchase of Real Estate
- Special Lease Arrangements w/o SA approval
- Entertainment and Social Function Costs
- Costs of flowers, prizes, gifts
 - For non-work related occasions

*Resource: State of Wisconsin





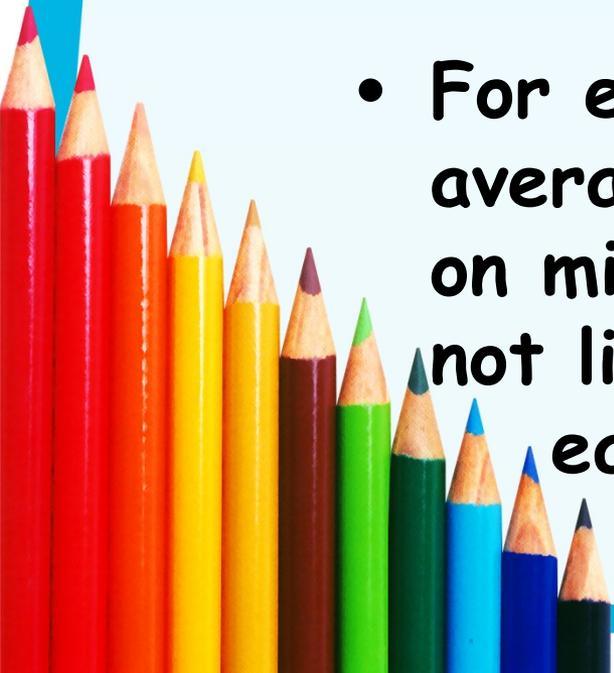
BUDGET

Supporting Documentation
Examples



Supporting Documentation

- All direct costs must be supported by current source documents (i.e. cost of printing CACFP brochures, mileage driven for CACFP monitoring, etc.)
- For example, if a monitor drives, on average, 200 miles per month, (based on mileage records) the budget should not list that she drives 400 miles each month.



Supporting Documentation (cont)

- Do not build in unsupported budget increases.
- For example, if CACFP office supply costs were \$1,000 in FY09, office supply costs for FY10 of \$1,500 would be questioned.
- SO's may revise their budgets during the fiscal year to accommodate increases.



Supporting Documentation (cont)

- Wage, Salary increases
- Explanation of benefits
- Equipment under \$5,000
- Equipment over \$5,000
 - include depreciation schedule
- Office Supplies
 - SA may request invoices/receipts
- Educational Supplies
 - Invoices/Receipts
- Printing
 - Invoices/Receipts
- Postage
 - Postage Meter count
 - Receipts



Supporting Documentation (cont)

- **Insurance**
 - Invoice
 - Current Policy/Binder
- **Office space/rent**
 - Current lease agreement
- **Contracted Services**
 - Current contracts
- **Equipment Rental/Lease**
 - Current contracts



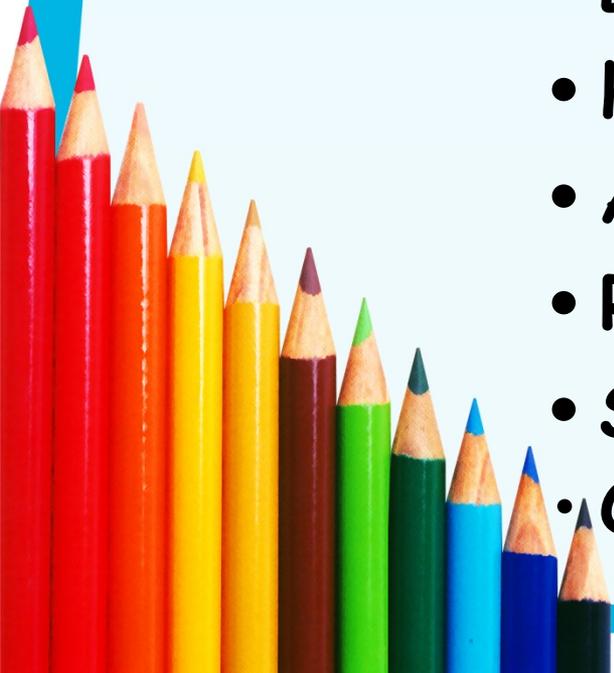
Supporting Documentation (cont)

- Advertising
 - Copy of advertisement and invoice
 - If CACFP specific ensure non-discrimination statement is included.
- Dues, Memberships, Subscriptions
 - Invoice/Receipt
 - Institutional/Professional Memberships
 - CACFP related



Supporting Documentation (cont)

- **Travel**
 - Mileage logs
 - Receipts/Invoices
 - Leased/owned vehicles
 - Hotels
 - Airfare
 - Registration Fees
 - Shuttles/Taxis/etc.
 - Out of State if CACFP related



Supporting Documentation (cont)

- **Per Diem -- Must be within limits of state-approved per diem rates.**
 - » Keep receipts for lodging, parking, shuttle service, and road/bridge tolls
- **Training Supplies**
 - Actual Receipts/invoices
 - Receipt for rental of training facility and hiring of guest speakers, if applicable.





Renewal Application

Reminders



ADE has received a completed Renewal Application when.....

- Everything listed on FY2010 Application Checklist is provided to ADE.
- Budget has been sufficiently documented to justify all costs to the CACFP.
- All required policies and procedures are submitted.



Policies and Procedures

- Policies and procedures must be formal and provide enough detail to understand how the process works.



Policies and Procedures (cont)

Examples: specific vs. non specific:

- Lacking sufficient detail: "SO makes every effort to verify menus for CACFP compliance."
- Improved: "Menus are verified by <name, position> and <name, position> for meal components, fat/sugar limitations (no more than two per week), and variety on the first week of each claim month at our offices. [example only]"

Policies and Procedures (cont)

- Should be written in a step by step (or sequence of events) way. Please include who, what, when, where, and how at appropriate steps.
- Advantages
 - Protect SO's in the appeal process
 - Everyone has a clear idea of what they are doing for CACFP and how to do it, with or without director availability.

